

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET WORKSHOP MEETING HELD MAY 20, 2015 at 4:30 p.m. in the Vernal City Council room, 374 East Main, Vernal, Utah 84078.

PRESENT: Councilmembers Bert Clark, Dave Everett, Samantha Scott, JoAnn Cowan and Ted Munford and Mayor Sonja Norton.

ACKNOWLEDGEMENT & APPROVAL: Councilmember JoAnn Cowan moved to acknowledge and approve this special meeting. Councilmember Samantha Scott seconded the motion. The motion passed with Councilmembers Cowan, Scott, Everett and Clark voting in favor. Councilmember Munford was not present for the vote.

FY2016 BUDGET WORKSHOP

Personnel:

Ken Bassett explained that the latest sales tax report from February shows that revenue is down by 8%. The highway sales tax is distributed differently and has also dropped significantly. Unemployment in the Uintah Basin went up from 3.5% to almost 5% in the last 2 months due to the downturn in the oil and gas industry. Councilmember Dave Everett stated that many times people will not take jobs that are lower paying because they get more on unemployment. Mayor Norton stated that the rumor is the economy will bounce back in the fall. Ken Bassett stated that the Council placed funds in special fund accounts starting in 2007, and there is also \$2 million dollars of unappropriated funds in the general fund. Ken gave the Council a balance sheet for the special funds and explained the purpose of each of these funds. He noted that the municipal building fund has a balance of \$1,610,000 which is used to make the annual payment on the City Hall building. This year the payment of \$470,000 was taken out of the general fund so this money was not used. Councilmember JoAnn Cowan stated she walked down Main Street and it is frightening how many buildings are vacant. A downtown revitalization plan was drafted many years ago, but there was no community buy-in to make improvements. She stated that now that business has been stimulated on the west side, it is time for the City to consider ways to keep downtown from dying. Councilmember Munford asked what boundaries are being thought of for "downtown". Councilmember Scott stated in her opinion it is from the pink dinosaur to the green dinosaur. There was some discussion regarding parking. Councilmember Dave Everett stated there are other areas that have updated their downtowns such as Grand Junction that is a walking area. Ken Bassett stated that downtown has always been a challenge, and that is why the flower program was started. Councilmember JoAnn Cowan suggested a meeting or workshop be held with the downtown merchants to see what can be done.

Ken Bassett asked the Council to be aware of the fund balances. Mayor Norton asked if Uintah County would have the transportation tax on the ballot. Ken Bassett stated they are leaning toward putting it on the ballot this year although they have not made a final decision yet. The Administrative Committee met and reviewed wages and the cost-of-living which was a negative number based on the national consumer price index. The recommendation from that meeting is to approve a 1.5% across the board adjustment to employee wages. Uintah County was contacted to see what wage increase they gave this year, and they indicated they gave a 3%

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET WORKSHOP MEETING HELD MAY 20, 2015

cost-of-living increase. Although that increase was approved before the cost of gasoline declined so quickly. The budget impact is \$40,000 for every percent increase approved in the general fund. Mayor Norton stated that it was felt that in order to retain good employees, at least a small increase is needed. Ken Bassett stated that the insurance costs did not increase that much for employees either. A few years ago wages were adjusted to retain employees with CDL licenses, and it is a tough situation to balance wages with the local economy. After further discussion, Councilmember JoAnn Cowan moved to approve a 1.5% raise for all employees even though the nationwide cost of living decreased. Councilmember Dave Everett seconded the motion. The motion passed with the following roll call vote:

Councilmember Munford.....aye;
Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

Ken Bassett noted that there are benefits when working for local government including retirement benefits. Councilmember JoAnn Cowan asked the staff to check with other cities of comparable size to see how many people are employed in their planning departments so an informed decision can be made regarding hiring another person in that department at a later date. Ken Bassett stated the staff will get that information.

ADMINISTRATIVE REPORTS

Airport

There was some discussion regarding the essential air service and the changes expected for the airport. Ken Bassett stated that the interlocal agreement for the transfer of the airport should be available soon.

Uintah Basin Transportation:

Councilmember JoAnn Cowan stated that UBAG is pushing the County to put the transportation tax on the agenda as it will have a big impact on that program. Ken Bassett stated that a representative from UBAG will be invited to the next joint City / County meeting to explain the program and how it is working.

Sidewalks:

Councilmember Cowan asked the staff to research any grants to install sidewalks in high traffic areas such as South Vernal Avenue and 500 West. Ken Bassett stated that if the Council would like to consider asphalt sidewalks as the first installation of sidewalk, then the City would be responsible to repair those areas, and the best funding would be through the Community Impact Board. Councilmember Cowan stated it has been difficult defining the 1st installation for sidewalks. Councilmember Clark stated those property owners paid for the asphalt sidewalks.

**MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET WORKSHOP
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ADJOURN: There being no further business, Councilmember Dave Everett moved to adjourn. Councilmember Ted Munford seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.

ATTEST:

Mayor Sonja Norton

Roxanne Behunin, Deputy Recorder

(S E A L)